

-Health Reform Law Will Help Thousands of New York Seniors-

WASHINGTON, D.C. – Congressman John Hall announced today that beginning this week, Medicare will mail out to thousands of New York seniors \$250 ‘donut hole’ checks to help pay for the cost of prescription drugs. Under the recently enacted health reform law, seniors who fall in the donut hole coverage gap in 2010 will receive this one-time tax-free \$250 rebate check. These checks will continue to be mailed monthly over the next several months as seniors enter the coverage gap.

“I have heard from too many seniors in the Hudson Valley who are struggling to choose between the costs of their prescription drugs and the costs of food and housing. This is a travesty,” said Congressman Hall. “I am proud to have voted for health care reform which will provide seniors with immediate relief from the donut hole and will eventually close the donut hole entirely, making prescription drug costs affordable for thousands of seniors.”

The donut hole coverage gap is the period in the prescription drug benefit after an individual’s prescription drug costs exceed \$2,830, in which the beneficiary pays 100 percent of the cost of their drugs until they hit the catastrophic coverage threshold.

According to the Centers for Medicaid and Medicare Services, last year, roughly 246,000 Medicare beneficiaries in New York fell in the donut hole and received no extra help to defray the cost of their prescription drugs. The health reform package will immediately offer financial assistance to these seniors, and beginning in January 2011, seniors in the donut hole will receive a 50 percent discount on brand name drugs. The donut hole will be completely eliminated by 2020.

"Over the years, my prescription drug costs have risen a great deal, and I'm grateful for the help seniors on Medicare like myself will be getting in the new health care reform bill," said Art Kamell, 81, of Beacon, NY.

Hall added that seniors should be wary of fraud and scam artists who may try to take advantage of the provisions in the health care law. Medicare recipients do not have to do anything to get the \$250 check – once their drug costs for the year hit \$2,830 the one-time check will be issued automatically.